

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

----- X  
EAST RIVER REALTY COMPANY LLC,

*Plaintiff,*

against

TRC COMPANIES, INC.,  
TRC ENGINEERS, INC.,  
TRC ENVIRONMENTAL CORPORATION,

*Defendants.*  
----- X

06-CV-5417 (WHP)

**DECLARATION OF  
NICKITAS F. PANAYOTOU  
IN SUPPORT OF TRC'S  
MOTION TO DISMISS**

Pursuant to 28 U.S.C. § 1746, NICKITAS F. PANAYOTOU hereby declares as follows:

1. I am the President & CEO of defendant TRC Engineers, Inc. ("TRC Engineers").

I make this declaration to place before the Court facts demonstrating that TRC Engineers' principal place of business is in New York. Unless otherwise indicated, I make this declaration based on personal knowledge and/or on the business records of TRC Engineers.

2. In 1992, a TRC entity acquired Raymond Keyes Associates, Inc. ("RKA"), at which time its name was changed to TRC Engineers. The engineering firm operated by Mr. Raymond Keyes was originally founded in White Plains, New York in 1957 and has been headquartered and operating in Westchester County, New York since that time. At the time of the 1992 acquisition, TRC Engineers' principal operations and headquarters office was located at 777 Old Saw Mill River Road, Tarrytown, New York 10591.

3. RKA is a successor in interest to Abbot, Merkt & Company, Inc. ("Abbot, Merkt"), which was originally incorporated in New Jersey in 1923 and registered to do business in New York shortly thereafter. In 1984, that company's name was changed to RKA.

4. TRC Engineers' revenues have been derived, primarily, from business in New York. I understand that this lawsuit was filed on July 18, 2006. For the fiscal year ending June 30, 2006, more than 75% of TRC Engineers' revenues were generated in New York. For the same period, only approximately 8% of TRC Engineers' revenues were generated in New Jersey. (The remainder was generated by certain work done in Texas.) For fiscal years 2003 thru 2005, the percentage of revenues generated in New York is even greater – over 93% in New York.

	<b>Total</b>	<b>NY</b>	<b>NJ</b>	<b>TX</b>
FY03	5,527,072	5,265,828	261,244	
FY04	5,792,361	5,489,290	303,071	
FY05	6,359,702	5,957,886	401,816	
FY06	9,264,552	7,107,513	785,574	1,371,465

5. Currently, TRC Engineers' headquarters is located at 7 Skyline Drive, Hawthorne, New York. TRC Engineers also has an office at 1430 Broadway, New York, New York. The New York City office, formerly A&H Engineers, P.C., a New York corporation, was acquired by TRC Engineers in 1999.

6. TRC Engineers has a small Millburn, New Jersey office - a satellite location that TRC Engineers started using a few years ago, principally for convenience. Only a handful of TRC Engineers' employees work at the Millburn office. I oversee their work from the Hawthorne, New York office. Unlike the Hawthorne, New York headquarters, the Millburn office is not exclusively a TRC Engineers' office; other TRC Companies' affiliated entities also use that office (the same is true of the New York City office).

7. The focus of TRC Engineers' operations and business historically has been in New York. The Hawthorne office is where I and another TRC Engineers' senior officer, Kenneth Mackiewicz, Senior Vice President of TRC Engineers, work. The Hawthorne office directs TRC Engineers' marketing efforts and generates the majority of TRC Engineers'

marketing materials for both the Hawthorne and Millburn offices. It likewise is the office from which TRC Engineers generally has communicated with potential and existing clients to initiate business and projects and to negotiate contracts. The decision whether to take on a new project for either the Hawthorne or Millburn office is made in the Hawthorne office and all such work is overseen from the Hawthorne office.

8. The contracts for projects controlled by TRC Engineers in Hawthorne or Millburn are stored in the Hawthorne office. Various other corporate, correspondence, marketing and human resource files are also kept in Hawthorne. TRC Engineers also prepares and sends out the bills to its clients for Hawthorne or Millburn projects from Hawthorne. The Hawthorne office also has negotiated and contracted with subcontractors and vendors and handled TRC Engineers' specific accounting issues. The vast majority of TRC Engineers' personnel activities for Hawthorne and Millburn – recruiting, hiring, and termination – likewise are carried out in Hawthorne.

9. I understand that the complaint in this case was served in Lyndhurst, New Jersey. When this action was filed, TRC Engineers did not maintain employees in Lyndhurst. The office in Lyndhurst is a corporate office operated by TRC Environmental Corporation. TRC Engineers has sometimes used the Lyndhurst address as a mailing address.

10. Historically, Hawthorne (or other Westchester addresses), Manhattan, and Millburn were the three offices where TRC Engineers' employees primarily had been located. I understand that, in recent months, TRC Engineers began the process of consolidating new employees in various different states from other TRC operations via mergers or other inter-company transactions. Nonetheless, TRC Engineers' headquarters and principal place of

operations remains in New York and New York was TRC Engineers' headquarters and principal place of operations on July 18, 2006 when this action was filed.

11. Attached as Exhibit A to this declaration are redacted copies of TRC Engineers' 2003-04 New York State tax return and 2004-05 New Jersey tax return, the latest filed in each state, each of which lists the Hawthorne, New York office as TRC Engineers' address.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed in Hawthorne, NY

August 25, 2006.

A handwritten signature in cursive script, appearing to read "Nickitas F. Panayotou", written in black ink over a horizontal line.

NICKITAS F. PANAYOTOU